The Top 300 Mortgage Companies

Based on Volume of Permanent Mortgages Serviced on June 30, 1985 (a)

Compiled by American Banker Copyright 1985

Rank 6/30/85	Name of Firm and Headquarters City	Dollar Volume of Mortgages Serviced 6/30/85	6/30/84	Rank 6/30/84	Gain in Rank	No. of Mortgages Serviced 6/30/85	No. of Investors 6/30/85 Excluding GNMA Pools	GNMA Pools
201	Missouri Valley Investment Co., Prairie Village, Kan.	455,296,288	363,284,084	217	+ 16	10,870	0	0
202	Moore Mortgage Co., Denver	454,968,794	447,717,308	186		6,830	98	105
203	International Mortgage Co., Los Angeles	451,865,000	886,731,878	122		5,754	32	93
204	C&S Real Estate Services, Inc., Charleston, S.C.	451,663,000	420,159,000	196		14,168	71	126
205	Mission Hills Mortgage Corp., Tustin, Calif.	451,162,496	427,966,071	189		6,033	12	184
206	USLife Real Estate Services Corp., Dallas	451,000,000	489,290,188	179		2,850	20	0
207	Dollar Mortgage Corp., Columbus, Ohio	450,452,590	N.A.	—		12,015	56	11
208	Alaska Pacific Mortgage Co., Anchorage	441,885,312	361,896,642	218	+ 10	4,559	30	0
209	Arlington Mortgage Co., Inc., Falls Church, Va.	433,413,428	224,747,106	269	+ 60	16,568	93	22
210	Shelter America Corp., Aurora, Colo.	427,773,000	416,135,000	198		26,612	106	368
211	Residential Financial Corp., Wayne, N.J.	427,320,459	.....	—		8,451	40	9
212	R&G Mortgage Corp., Hato Rey, P.R.	426,747,940	325,847,035	230	+ 18	10,950	32	176
213	Merchants Mortgage Corp., Indianapolis	425,830,225	371,941,425	213		7,971	55	36
214	Midland Mortgage Corp., Orlando, Fla.	425,000,000	452,000,000	185		17,640	101	120
215	Mager Mortgage Co., Tulsa, Okla.	424,937,863	358,421,000	221	+6	13,244	0	0
216	Cauble & Co., Atlanta	420,000,000	327,000,000	229	+ 13	209	5	0
217	Seattle Mortgage Co.	418,956,287	425,000,000	193		8,737	153	32
218	Housing Mortgage Corp., Pittsburgh	414,860,000	384,537,562	207		13,150	113	34
219	Third National Mortgage Co., Nashville	414,526,460	391,907,278	203		8,677	74	30
220	Beverly Hills Securities Co., Encino, Calif.	412,730,343	365,563,647	216		6,977	23	87
221	First of America Mortgage Co., Kalamazoo, Mich. (b)	405,000,000	186,357,000	283	+ 62	15,664	37	0
222	James B. Nutter & Co., Kansas City, Mo.	404,000,000	370,000,000	214		13,558	83	55
223	Conservative Mortgage Co., Minneapolis	400,538,505	465,863,000	184		12,051	58	148
224	Laurance Eustis Mortgage Corp., New Orleans, La.	400,000,000	385,859,893	206		6,400	27	84
225	Numerica Financial Services, Inc., Clearwater, Fla.	388,766,556	293,307,143	236	+ 11	10,779	32	115
226	Regional Investment Co., Leawood, Kan.	387,893,602	357,274,759	223		14,551	84	193
227	Oklahoma Mortgage Co., Inc., Oklahoma City	381,418,055	380,377,361	209		13,382	78	159
228	Guardian Mortgage Co., Inc., Richardson, Tex.	377,000,000	310,000,000	232	+4	8,200	62	96
229	Capital Mortgage Corp., Farmington Hills, Mich.	375,000,000	310,881,416	231	+2	14,174	48	56
230	Lowell, Smith & Evers, Inc., Garden City, N.Y.	367,391,000	391,150,000	204		16,361	34	106
231	Orbanco Real Estate Services Co., Portland, Ore.	366,000,000	296,000,000	235	+4	5,200	37	3
232	Millikin Mortgage Co., Decatur, Ill.	364,000,000	366,200,000	215		14,350	6	190
233	Hawkeye Bancorp. Mortgage Co., Des Moines, Iowa	363,200,000	230,050,513	265	+ 32	10,093	61	142
234	First Mortgage Corp., West Covina, Calif.	359,958,352	341,095,460	225		6,601	15	95
235	American Continental Mortgage Co., Phoenix, Ariz.	356,997,072	655,020,661	139		4,625	17	305
236	Firstbank Mortgage Co., Springfield, Ill.	351,789,406	.....	—		9,063	27	158
237	Inland Mortgage Co. Inc., Indianapolis	346,023,674	337,889,984	226		7,721	80	100
238	M&I Grootemaat Mortgage Corp., Milwaukee, Wis.	340,687,481	357,833,884	222		10,921	55	114
239	Midlantic Mortgage Corp., Newark, N.J.	335,862,276	593,052,476	150		4,459	62	0
240	Fidelity Investment Co., Wichita, Kan.	335,000,000	243,000,000	257	+ 17	12,349	44	69
241	GN Mortgage Co., Canoga Park, Calif. (c)	330,945,448	.....	—		4,009	22	0
242	SouthTrust Mortgage Corp., Birmingham, Ala. (d)	318,828,696	387,435,664	205		7,577	40	75
243	Bank South Mortgage Corp., Atlanta	315,000,000	279,685,819	242		7,723	35	100
244	Stockton, White & Co., Raleigh, N.C.	312,196,889	383,646,278	208		8,768	42	48
245	U.S. Mortgage Corp., Westmont, N.J.	309,036,455	234,287,030	261	+ 16	6,030	11	63
246	National Pacific Mortgage Corp., Cerritos, Calif.	301,930,613	230,141,607	264	+ 18	3,840	4	7
247	Thomas D. Wood & Co., Coconut Grove, Fla.	300,000,000	285,000,000	239		225	15	0
248	Mercury Mortgage Co., Inc., Tulsa, Okla.	298,000,000	284,000,000	241		9,708	35	156
249	St. Joseph Mortgage Co., South Bend, Ind.	296,000,000	252,700,000	253	+4	5,900	83	56
250	Hartger & Willard Mortgage Assoc., Inc., Grand Rapids, Mich.	291,900,000	297,021,600	234		1,065	24	12
251	American National Mortgage Co., Inc., Fort Worth, Tex.	290,187,191	263,566,393	247		6,764	81	76
252	Kirk Mortgage Co., Philadelphia	284,741,395	270,148,106	243		13,973	31	39
253	Bancshares Mortgage Co., Spokane, Wash.	282,727,866	253,000,000	252		4,010	53	1
254	Megapolitan Mortgage Co., Denver	278,857,224	233,000,000	262	+8	3,325	100	0
255	Stanwell Mortgage, Las Vegas, Nev.	275,000,000	232,219,811	263	+8	5,500	0	22
256	Mercantile Mortgage Corp., Houston	275,000,000	N.A.	—		4,500	10	8
257	Calumet Securities Corp., Schererville, Ind.	274,517,615	284,444,313	240		10,576	46	0
258	Southern National Mortgage Co., Charlotte, N.C.	273,552,000	260,000,000	248		7,056	35	128
259	First NH Mortgage Corp., Manchester	272,904,000	228,101,000	267	+8	5,995	65	5
260	Bank of Virginia Mortgage Corp., Richmond	266,359,059	404,379,745	200		5,818	50	20
261	Rotan Mosle Mortgage Co. Houston	258,000,000	229,000,000	266	+5	134	10	0
262	Glenfed Mortgage Corp., Burbank, Calif.(e)	253,493,866	N.A.	—		5,706	23	32
263	Gulf States Mortgage Co., Inc., Atlanta	251,000,000	.....	—		5,273	22	31
264	Carl I. Brown & Co., Kansas City, Mo.	250,005,000	240,000,000	258		4,176	22	52
265	First Financial Corp., Waco, Tex.	250,000,000	244,696,704	256		17,000	25	500
266	Justice Mortgage Co., Inc., Dallas	240,000,000	180,000,000	287	+ 21	6,000	24	20
267	Alamo Investment Co., San Antonio, Tex.	235,549,104	.....	—		4,264	25	123
268	Pool Mortgage Co., Oklahoma City	224,987,309	266,611,306	246		5,741	79	37
269	Wortman & Mann, Inc., Jackson, Miss.	219,907,142	223,405,316	270	+1	8,075	32	52
270	Towle Real Estate Co., Minneapolis	219,588,544	216,538,000	272	+2	582	32	0
271	First Fidelity Mortgage Corp., Atlanta	217,639,000	197,000,000	279	+8	41	4	0
272	MPact Mortgage Bankers, Abilene, Tex.	215,200,981	.....	—		3,127	23	18
273	Fullerton Mortgage & Escrow Co., Calif.	212,517,586	202,104,900	277	+4	4,577	26	56
274	GECC Financial Corp., Honolulu	208,654,925	208,133,250	275	+1	2,418	42	0
275	Singleton Mortgage Corp., Memphis, Tenn.	208,500,000	176,000,000	288	+ 13	6,300	26	1
276	RepublicBank Mortgage Corp., Dallas (f)	206,000,000	210,425,000	273		2,100	9	0
277	Occidental Mortgage Corp., West Covina, Calif.	204,602,000	N.A.	—		3,358	6	0
278	Beneficial Standard Mortgage Co., Los Angeles	202,373,411	190,000,000	281	+3	926	7	0
279	AmBank Mortgage Co., Baton Rouge, La.	201,417,775	189,000,000	282	+3	5,525	39	20
280	Boulevard Mortgage Co., Philadelphia	200,147,394	181,222,327	286	+6	7,894	37	54
281	Pioneer Mortgage Corp., Shreveport, La.	200,000,000	204,662,099	276		7,261	36	63
282	Glenn Justice Mortgage Co., Inc., Dallas	200,000,000	260,000,000	249		5,500	57	0
283	Central Mortgage Bancshares, Inc., Springfield, Mo.	199,431,154	172,525,491	290	+7	7,240	40	58
284	Turner Corp. of Oklahoma, Inc., Tulsa	191,389,861	182,391,000	285	+1	5,381	56	44
285	John Burnham & Co., San Diego, Calif.	188,897,269	251,602,000	255		663	10	0
286	First City Mortgage Co., Dallas	188,000,000	195,321,781	280		2,282	64	0
287	A.E. Landvoigt, Fairfax, Va.	183,540,122	162,312,767	295	+8	2,790	16	72
288	Camp & Co., Birmingham, Ala.	183,000,000	91,569,784	329	+ 41	152	12	0
289	Ensign Mortgage Co., Atlanta	183,000,000	96,249,495	327	+ 38	4,499	48	6
290	Alta Mortgage Co., Concord, Calif.	182,681,455	221,069,000	271		3,194	25	14
291	Hancock Mortgage Corp., Gulfport, Miss.	181,703,508	173,778,112	289		3,991	49	19
292	Atlantic Mortgage & Investment Corp., Jacksonville, Fla.	170,989,000	.....	—		4,848	20	67
293	Barry S. Slatt Mortgage Co., San Francisco	168,350,992	185,925,505	284		300	0	0
294	Harry Mortgage Co., Oklahoma City	166,000,000	170,200,000	292		5,100	52	0
295	Carey Winston Co., Bethesda, Md.	157,885,912	161,476,282	296	+1	3,065	35	35
296	Inter-City Mortgage Corp., Washington, D.C.	156,000,000	157,492,750	297	+1	3,350	7	2
297	Flynn Investment Co., Harlingen, Tex.	155,489,490	116,666,066	302	+5	3,654	68	0
298	Atlas Capital Corp., Encino, Calif.	155,452,913	165,649,927	294		2,478	16	86
299	Citizens Mortgage Corp., Oklahoma City	153,286,145	N.A.	—		2,964	42	0
300	Dobson & Johnson, Inc., Nashville, Tenn.	153,000,000	152,757,000	299		3,725	23	19
	TOTALS FOR 3RD 100	**29,934,281,773**				**702,803**	**4,032**	**5,918**
	TOTALS FOR TOP 300†	**482,653,438,286**	**419,069,986,831**			**10,813,322**	**42,529**	**98,837**

(a)— Excludes loans owned by mortgage company. (b)—Formerly Kelly Mortgage & Investment Co., Flint, Mich. (c)—Formerly Guaranty National Mortgage. (d)—Formerly Jackson Co. (e)—Formerly Wilshire Mortgage Co. (f)—Formerly Republic National Mortgage Corp. (†)—Data for 6/30/84 are for the top 300 companies on that date. N.A. — Not Available.

Banks Unload Mortgage Servicing Portfolios to Increase Capital

Continued from Page 1

firm, and one was a savings bank. Last year, three of the sellers were independent mortgage companies, and two were commercial banking firms.

This year, six of the nine acquisitions were made by nonbanking firms; two by thrift institutions; and one by a foreign commercial bank. Last year, four of the acquisitions were made by commercial banking firms and one by a thrift institution.

These are some of the findings of the *American Banker's* annual survey of the top 300 mortgage companies in mortgage servicing, published today.

In Tuesday's edition, the top 100 commercial banks in mortgage servicing will be listed, as well as the top 25 servicing firms based on the combined servicing for companies with more than one mortgage subsidiary. There will also be a listing of thrift institutions with over $1 billion in servicing on March 31.

Capital Plays Central Role

The same theme of the accelerated pace of mortgage acquisitions is stressed by Lawrence J. Trautman, senior vice president and director of Donaldson, Lufkin & Jenrette's mortgage banking industry practice.

"The first half of the year witnessed an explosion of transactions, straining the ability of investment bankers, attorneys, and accountants to process the landmark-level of acquisitions," he says. And he adds that "the behind-the-scenes clamor to close mortgage banking acquisitions remains brisk."

As reported by the *American Banker* back on May 6, the main reason for the departure of banks from the mortgage field was a proposed regulation that would not have allowed them to include the intangible asset represented by the rights to service a mortgage portfolio in their primary capital computation. And while that proposal was quashed by federal regulators in April, it may still have done its work.

Also, back in May, investment banker Trautman noted: "The focus on raising additional capital continues to be the major issue addressed in the boardrooms of America's banking community. And the value to the bank of the off-balance-sheet asset represented by a mortgage servicing portfolio — which is not easily understood by shareholders or the investment community — may not be as great as the value of the proceeds from the sale of that portfolio which provide funds to enhance its capital position."

Mr. Trautman's prediction appears to be correct. Despite the regulators' ruling, some banks continue to sell their servicing portfolios to bolster their capital positions.

Also, it appears that some banks — especially those that may be the targets of acquisitions by other banks — may sell off their servicing to monetize their servicing-rights asset prior to an acquisition. For example, Northwestern Financial Corp., North Wilkesboro, N.C., is in the process of being acquired by First Union Corp., Charlotte.

In the second quarter of this year, Northwestern Financial sold its mortgage subsidiary — Northwestern Mortgage Corp., Charlotte, N.C.— to Barclays American Corp., a subsidiary of Barclays Bank PLC, London.

Northwestern Mortgage ranked 165th in servicing at midyear 1984, with $540 million. It did not participate in this year's survey. First Union owns Cameron-Brown Co., Charlotte, the ninth largest mortgage company in the nation.

One of the reasons for the entry of nonfinancial firms into the mortgage servicing industry is that — unlike other areas of the financial industry — tremendous market share is not needed to be profitable. You can be very profitable in the mortgage servicing industry with less than 1% of the market share.

For thrift institutions, mortgage company acquisitions are a good way to increase loan-production capability. Also, in this era of deregulation, many financial services companies — including insurance companies, finance companies, and brokerage firms — have an overall strategy of diversification, and mortgage company acquisitions fit into this strategy.

The Major Acquisitions

Listed below are the 10 major acquisitions that occurred over the first nine months of 1985. They appear in the order of size of the acquiring company.

• Second ranked GMAC Mortgage Co., Melrose Park, Pa., was formed after its parent, General Motors Acceptance Corp., Detroit, the financing arm of General Motors Co., made two acquisitions.

In March, GMAC acquired Norwest Mortgage Inc., Minneapolis, and its $11.1 billion servicing portfolio from Norwest Corp. for $125 million, or 1.1% of servicing volume. And in May it acquired Colonial Mortgage Service Co., Philadelphia, and its $7.4 billion servicing portfolio from CoreStates Financial Corp., Philadelphia, for $190 million, or 2.56% of servicing volume.

• Fourth ranked Metmor Financial Inc., Los Angeles, formerly CrossLand Capital Corp., was acquired by Metropolitan Life Insurance Co. from CrossLand Savings FSB, Brooklyn, N.Y., in June, for $200 million, or about 2.1% of its volume. (CrossLand Savings is currently converting from a mutual company to a stock company.)

• Commonwealth Financial Group, Houston,the parent of the 10th ranked Commonwealth Mortgage Corp., acquired the 46th ranked General Electric Mortgage Corp., Portland, Ore., in August for about $145 million cash. It paid $60 million for GEMC's mortgage servicing rights, or 2.1% of GEMC's $2.85 billion portfolio. Had the merger taken place before midyear, Commonwealth Mortgage would have ranked fourth, with $10.1 billion in servicing.

• The 11th ranked Goldome Realty Credit Corp., Buffalo, N.Y., a subsidiary of Goldome FSB, Buffalo, acquired the $525 million servicing portfolio of Bankers' Funding Corp., Newport Beach, Calif., in June. Bankers' Funding was a subsidiary of Central Pacific Corp., the holding company for American National Bank, Bakersfield.

• The 16th ranked Imco Realty Services Inc., Santa Rosa, Calif., was formed in April, when Wells Fargo & Co. sold the 35th ranked Wells Fargo Mortgage Co., also in Santa Rosa, and its $3 billion portfolio, plus an additional $3.5 billion in servicing from the portfolio of Wells Fargo Bank NA to a limited partnership organized by Integrated Resources Inc., New York, for $108 million, plus the assumption of certain liabilities. Integrated Resources organizes and manages investment programs in real estate, leveraged buyouts, energy, equipment leasing, and other businesses.

• In February, Owens-Illinois Inc., Toledo, Ohio, a diversified company, acquired the 18th ranked Alliance Mortgage Co., Jacksonville, Fla., and its $5.1 billion portfolio from Florida National Banks of Florida Inc., Jacksonville, for $115 million, or 2.25% of its mortgage servicing volume.

• The 58th ranked Central Mortgage Co., Philadelphia, a subsidiary of PSFS, purchased the $500 million servicing portfolio of Equibank, Pittsburgh, for $6 million, or 1.2% of servicing volume, at midyear. Among commercial banks, Equibank ranked 15th in servicing, with $415 million on June 30, 1984.

• On May 17, American Can Co. acquired Berg Enterprises Inc., Iselin,

▶▶ Mortgage: Page 43

The 10 Largest Gainers Among the Top 300 Mortgage Companies

	(Dollar Amounts in Millions)	Servicing 6/30/85	Servicing 6/30/84	Percent Increase	Mtge. Rank
1	Security Savings Mortgage Corp., North Canton, Ohio	1,295.5	251.7	414.70	103
2	Federated Financial Corp., Atlanta	1,370.6	268.5	410.36	97
3	Mellon Financial Services Corp. #8, Cleveland	2,853.5	1,025.7	178.20	45
4	Brokers Mortgage Service, West Collingswood, N.J.	728.5	300.3	142.61	149
5	Colorado National Mortgage Co., Denver	633.8	291.2	117.69	165
6	First of America Mortgage Co., Kalamazoo, Mich.	405.0	186.4	117.32	221
7	New York Guardian Mortgagee Corp., Hempstead	4,607.4	2,255.1	104.31	25
8	Camp & Co., Birmingham, Ala.	183.0	91.6	99.85	288
9	Valley Mortgage Corp., Salt Lake City	467.1	234.4	99.24	199
10	Equitable Mortgage Resource inc., Clearwater, Fla.	2,636.8	1,325.2	98.97	55

The 10 Largest Losers Among the Top 300 Mortgage Companies

	(Dollar Amounts in Millions)	Servicing 6/30/85	Servicing 6/30/84	Percent Decrease	Mtge. Rank
1	United Mortgage Corp., Minneapolis	590.5	1,165.6	49.34	176
2	International Mortgage Co., Los Angeles	451.9	886.7	49.04	203
3	American Continental Mortgage Co., Phoenix, Ariz.	356.9	655.0	45.50	235
4	Midlantic Mortgage Corp., Newark, N.J.	335.9	593.1	43.37	239
5	Northland Mortgage Co., St. Paul, Minn	1,458.0	2,465.2	40.86	93
6	Merrill Lynch Mortgage Corp., Stamford, Conn.	2,979.9	4,850.4	38.56	42
7	Bank of Virginia Mortgage Corp., Richmond	266.4	404.4	34.13	260
8	PB Mortgage Corp., Haddonfield, N.J.	586.9	829.6	29.26	178
9	Abacus Real Estate Finance Co., Chicago	968.1	1,338.1	27.66	127
10	Investor's Mortgage Service Co., Burbank, Calif.	654.9	878.2	25.42	161

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Nonbank Firms Prize Mortgage Businesses as Points of Entry

Continued from Page 42

N.J., for $125 million. Berg was the parent of Margaretten & Co., Perth Amboy, N.J., the nation's 78th largest mortgage company, with $1.7 billion in servicing on June 30.

• As mentioned above, Northwestern Mortgage Corp., Charlotte, N.C., was acquired by a subsidiary of Barclays American Corp., from Northwestern Financial Corp., North Wilkesboro, N.C., in the second quarter of this year.

• Also, in August, Ford Motor Co. agreed to acquire First Nationwide Financial Corp., the parent of First Nationwide Savings, San Francisco, for $493 million. The major reason for this acquisition by Ford is to gain entrance to the mortgage lending market. First Nationwide Savings had $2.7 billion in servicing on March 31, 1985, the latest data available for the institution. First Nationwide Savings was the eighth largest thrift institution in the country at midyear, with deposits of $7.7 billion.

Other Survey Findings

• The top 300 mortgage firms had $482.7 billion in mortgages serviced for others on June 30, 1985, up 15.2% from $419.1 billion the year before.

• The largest percentage gain in servicing was scored by Security Savings Mortgage Corp., North Canton, Ohio. Its servicing rose 415% to $1.3 billion at midyear from $252 million the year before. Thus, it moved 151 places to rank 103d. Security Savings Mortgage was a subsidiary of Continental Federal Savings Bank, Cleveland. In September 1984, in an unusual interstate arrangement, Continental Federal was merged, with federal government assistance, into Dollar Bank FSB, Pittsburgh. And Security Savings Mortgage now services the mortgages of Dollar Bank.

• United Mortgage Corp., Minneapolis, had the largest percentage drop in servicing. Its volume fell 49.3% to $590.4 million on June 30, 1985, from $1.17 billion on June 30, 1984. In December 1984, it sold off some of its servicing to Federated Financial Corp., Atlanta, which accounts for the decline.

• Lomas & Nettleton Financial Corp., Dallas, remains the largest mortgage company in the nation, with servicing totaling $20.2 billion at midyear, up 10.9% from $18.3 billion on June 30, 1984.

• The newly formed GMAC Mortgage Co. ranked second, with $19.3 billion in servicing.

• Citicorp Homeowners Services Inc., St. Louis, now ranks among the nation's 10 largest firms, with servicing of $8.7 billion, up 74% from $5 billion the year before, when it ranked 20th. The company is a subsidiary of Citicorp. ■

FIserv, a Top Data Processor, Acquires Firm Specializing in Managing Rate Risk

By JOHN MORRIS

CHICAGO — In the first move of its kind, a data processing company has bought a firm that specializes in managing interest rate risk.

FIserv Inc., the nation's largest independent financial data processing company, bought the Sendero Corp., a top provider of computerized asset and liability management models and educational courses in risk management.

Just two weeks ago FIserv broke with the rest of the data processing industry when it embarked on an aggressive campaign to diversify its operations. The first step was the acquisition of the First Trust Corp. of Denver, a major independent trust company specializing in the administration of tax-qualified retirement plans. The second step is the purchase of Sendero, which will operate as a separate subsidiary but will work closely with its new parent on developing new data-based products.

George Dalton, chairman of FIserv, explained that his aim is to offer new financial services to his 200 on-line data processing customers. And a whole battery of services based on his firm's data bases should prove to be a powerful marketing weapon in gaining new business.

In a recent interview, he said he would be looking for an asset/liability management company to join forces with FIserv. The aim would be to offer a risk management program that could take advantage of all the data FIserv has through a closer interface with the data processor.

Currently, sellers of risk management programs have to arrange with individual data processors to "download" a client's financial information; usually there is little incentive for the data processor to go out of his way to help. Both FIserv and Sendero believe that much data is never unlocked or presented in a useful form. Now they both have an incentive to milk the data bases to the fullest.

Sendero sells three asset and liability management models incorporating different degrees of sophistication, though none is the most complex on the market, said president Cliff Myers. "There are many modeling tools in development. We found we had the intellectual capability to press ahead, but needed more capital."

Enter FIserv. Now Sendero plans to unveil more than one type of model devoted to hedges; an independent duration model; and a duration feature in an advanced model. Lack of duration has often been cited as a weakness in Sendero's risk management programs.

Mr. Myers said Sendero is also working on a different data-based approach to aid decision-making at banks and thrifts, but he declined to give details.

The link with FIserv will lead to development of new products that will benefit the whole industry, he predicted. These products will be available to everyone, whether or not they use FIserv for their data processing.

"We will continue to operate independently," Mr. Myers stressed. "Our linkage with FIserv will not inhibit our links with other data processors, but we'll be inventing things primarily with FIserv."

To date, more than 400 banks, thrifts, and leasing companies have rights to use Sendero models, according to Mr. Myers. These include 200 "decision units," such as multibank holding companies, each of which might use the models in several banks. It lists among its cuctomers 27 of the top 100 banks, and one-third of its customers have less than $100 million in assets. ■

Lottery Transaction System

NEW YORK — The General Instrument Corp. announced a new lottery transaction system that the firm claims has the fastest transaction processing time and highest capacity of any lottery system available today.

The new, computerized on-line system, called Galaxy, promises to generate higher revenue for states with lotteries by reducing the long lines associated with lotto games having large jackpots. ■

Duff & Phelps Inc. CREDIT RATINGS

Week Ending September 27, 1985

New Issues:	Rating
Fixed Income	
Associates Corporation of North America-Notes	5
Atlantic City Electric Company-FMB (Shell)	4
Carolina Power & Light Company-FMB	7
Deere & Company-Notes	6
NCNB Corporation-Sub. Notes	6
New York State Electric & Gas Corporation-FMB	3
Potomac Electric Power Company-FMB (Shell)	2
Southeast Banking Corporation-Sub. Notes	7
The Times Mirror Company-Notes	4
New Rating:	
Commercial Paper	
CI Funding Corporation	Duff 1–
Rating Reaffirmed:	
Fixed Income	
Arkansas Power & Light Company-FMB	11
Arkansas Power & Light Company-PCRB (Nc1)	12
Beatrice Companies, Inc.-Sr. Debt	7
Beatrice Companies, Inc.-Pfc. Stock	10
Manufacturers Hanover Corporation-Sr. Debt	5
Manufacturers Hanover Corporation-Pfd. Stock	6
New Jersey Bell Telephone Company-Debs.	2
Pacific Northwest Bell Telephone Company-Debs.	2
Texas-New Mexico Power Company-FMB	6

Rating Changed:	From	To
Fixed Income		
Arkansas Power & Light Company-Pfd. Stock	14	13

Dear Reader, How Are We Doing?

The American Banker wants very much to make sure its statistical listings for the financial services industry meet your information needs. So would you spend a moment to give us some feedback on the **Top 300 Mortgage Companies in Mortgage Servicing** survey that appears in today's edition? Please return this questionnaire to L. Michael Cacace, Statistical Chief, American Banker, One State Street Plaza, New York, N.Y. 10004 (212) 943-4836.

(1.) How would you **change** the tabulation to make it more useful? What would you add?

(2.) What do you like **best** about this tabulation?

(3.) What do you like **least** about this tabulation?

(4.) **How** do you use this information in your work?

(5.) What **new** statistical survey would you like to see?

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Company

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TODAY

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If you sit in the room with three of your white counterparts, and you do not own a house, all they talk about is their home, mowing the lawn, shoveling snow, the furnace broke, the plumbing broke, whatever. The minute you own a house, they no longer talk about their house.

A young black female banker quoted in "Black Managers: The Case of the Banking Industry." [5]

Unquote

Random Thoughts

By SANFORD ROSE

It is sometimes suggested that large banks should be grateful that the regulators want to increase their capital requirements. If these banks are forced to raise substantial additional amounts of debt capital, then there would be no need to reform the deposit insurance mechanism. Prospective debenture holders would discipline risky banks by withholding funds unless they were adequately compensated for bearing the augmented risks. The elevated structure of risk premiums would then constrain bank managements to adopt more prudent portfolio policies.

Large banks would eschew lending to commercial customers at rates and spreads that do not adequately reflect the riskiness of the credits. In turn, the elimination of excess lending capacity would alter the currently adverse bargaining relationship between lenders and borrowers. Given fewer lenders and the same number of borrowers, lending spreads should eventually begin rising, enabling some lenders to reenter the market at a later date on a far more profitable basis than currently prevails.

➳ Random Thoughts: Page 4

Mortgage Servicing's Shifting Ranks

By JOSEPH F. PEREZ

NEW YORK — The spate of mortgage company acquisitions by nonbanking firms in the first half of 1985 significantly changed the names and ownership of the top servicing firms in the industry.

The Lomas & Nettleton Financial Corp. of Dallas remained the top servicer at midyear, but a newly formed subsidiary of the General Motors Acceptance Corp. now ranks second. Metropolitan Life Insurance Co. owns the nation's sixth largest servicing firm, while Integrated Resources Inc. of New York owns the 20th largest and Owens-Illinois Inc. of Toledo, Ohio, a diversified company, owns the 22nd largest.

Gone from the field are the Norwest Corp. of Minneapolis and the CoreStates Financial Corp. of Philadelphia. Also departing were CrossLand Savings FSB of Brooklyn, N.Y.; Wells Fargo & Co. of San Francisco; and Florida National Banks of Florida Inc. of Jacksonville.

Top Mortgage Servicers

Rank 6/85	Name of Institution	Volume* 6/85
1	Lomas & Nettleton Financial..	$20.2
2	GMAC Mortgage Co.	19.3
3	Manufacturers Hanover	14.3
4	Fleet Financial Group Inc.	12.2
5	Citicorp	11.2

*—Dollar amounts in billions.
Includes combined servicing for firms with more than one subsidiary engaged in servicing.

These are some of the findings of *American Banker's* survey of the top 25 servicers among commercial banks and mortgage banking firms, based on combined servicing for firms with more than one servicing subsidiary, the 100 largest commercial banks in servicing, and the top thrifts in servicing. In Monday's edition, *American Banker* pub-

➳ Mortgage: Page 16

Visa Unveils Plan for 'Card Of the Future'

High-Tech Device Will Include Processor, Keyboard, Screen

By MICHAEL WEINSTEIN

CHICAGO — Visa U.S.A. Inc. unveiled plans Monday for a sophisticated plastic card that represents the organization's "payment card of the future."

The card, not expected to be commercially available until 1989, will be the size of a traditional credit card, but will be imbedded with a microprocessor, like a "smart-card." The card will also have a keyboard and a horizontal display screen on the back, so card holders will be able to manipulate the data stored in the card.

Cardholders will be able to keep track of balances of credit card, savings, or checking accounts, make purchases with funds from any of these accounts, update the balances in these accounts, and use the card as electronic cash for small items such as bus or subway fares.

The card will give customers "immediate and total control over their financial assets," said Charles T. Russell, Visa's president. Customers will in effect be carrying their bank branch in their pocket, he said.

"We can live without it," he observed. "But what a convenience."

Some bankers have said that the banking industry will someday offer customers a plastic card that includes information about all of their banking relationships. Visa's new card, which it calls a "super-smart card," is the closest yet to that computerized future.

The microprocessor in the card will also let Visa improve control over card fraud, which is costing the industry more than $200 million a year.

Separately, Visa also announced at

➳ Visa: Page 31

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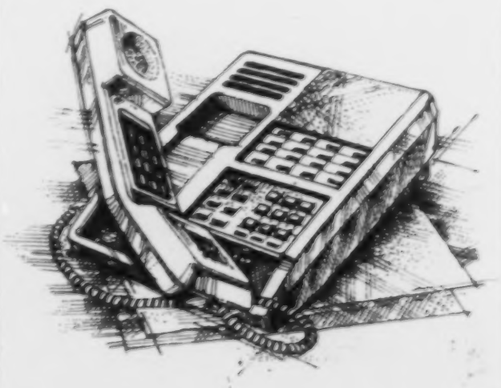

Top 100 Commercial Banks In Servicing of Permanent Mortgages(a)

Compiled by American Banker Copyright 1985

Servicing Rank 6/30/85		Mortgages Serviced for Investors (b) Total Dollar Volume 6/30/85	No. of Mortgages 6/30/85	No. of Investors 6/30/85 Excluding GNMA Pools	GNMA Pools	Servicing Rank 6/30/84	Gain in Rank	Total Mortgages Serviced (c) in Dollars 6/30/85	Mortgages Owned by Bank in Dollars 6/30/85
1	Bank of America NT&SA, San Francisco	3,033,627,417	52,660	286	48	1		16,309,977,458	12,976,351,041
2	Hibernia Bank, San Francisco	1,115,511,842	26,633	63	185	3	+1	N.A.	N.A.
3	Union National Bank, Little Rock, Ark.	980,570,206	33,543	222	272	2		1,054,672,398	71,302,192
4	First National Bank, Anchorage, Alaska	919,804,603	11,408	28	1	4		957,234,963	33,376,017
5	Security Pacific National Bank, Los Angeles	905,712,945	20,849	71	47	8	+3	5,331,272,697	4,425,559,752
6	National Bank of Alaska, Anchorage	831,380,236	9,303	62	2	6		934,910,241	39,887,584
7	Citizens Fidelity Bank & Trust Co., Louisville, Ky. (d)	805,208,000	17,863	80	135	7		917,517,000	112,309,000
8	First Tennessee Bank NA, Memphis	630,422,949	15,459	62	151	10	+2	719,225,158	88,802,209
9	Continental Bank, Phoenix, Ariz.	621,947,296	11,202	46	39	11	+2	686,108,738	64,161,441
10	Alaska Mutual Bank, Anchorage	613,704,000	6,149	34	0	12	+2	707,843,000	94,139,000
11	Bank of Hawaii, Honolulu	612,651,726	13,154	86	11	9		948,931,624	331,615,015
12	Michigan National Bank, Detroit	575,916,591	14,915	39	0	13	+1	815,880,050	252,573,046
13	Equitable Bank NA, Baltimore	520,337,809	11,267	40	2	...		N.A.	248,938,000
14	Fleet National Bank, Providence, R.I.	486,537,000	10,176	15	0	25	+11	631,769,000	145,232,000
15	Landmark First National Bank, Fort Lauderdale, Fla.	474,302,888	15,126	160	35	47	+32	181,543,911	292,758,976
16	Comerica Bank-Detroit	439,978,127	14,818	25	0	36	+20	1,232,409,209	835,505,050
17	Western Bank, Sioux Falls, S.D.	406,115,244	11,043	69	14	29	+12	438,564,796	30,406,966
18	First Hawaiian Bank, Honolulu	401,154,329	7,753	111	0	16		949,475,278	548,120,949
19	Louisiana National Bank, Baton Rouge	387,547,997	8,087	63	83	60	+41	479,959,858	92,411,860
20	Century Bank, Phoenix, Ariz.	385,124,765	11,015	32	3	27	+7	410,536,009	25,411,244
21	United Jersey Bank, Hackensack, N.J.	382,969,891	7,739	41	0	17		760,902,963	377,933,072
22	United Bank Alaska, Anchorage	379,616,054	3,628	14	0	28	+6	392,112,359	12,496,305
23	National State Bank, Elizabeth, N.J.	361,961,473	11,057	40	140	19		468,425,306	106,463,834
24	First Interstate Bank of Oregon NA, Portland	317,629,916	9,730	55	112	26	+2	1,084,074,222	766,383,092
25	Michigan National Bank, Lansing	308,636,063	14,615	105	0	18		438,590,046	144,524,000
26	California First Bank, San Francisco	309,688,759	6,193	69	17	20		956,974,012	635,163,179
27	RepublicBank Lubbock NA, Tex.	296,514,572	6,815	92	89	24		N.A.	325,615,433
28	Bank of New England NA, Boston	278,241,100	3,748	38	0	45	+17	336,838,533	58,597,433
29	First Interstate Bank of Washington NA, Seattle	274,823,667	9,219	5609	3610	32	+3	884,841,837	610,018,170
30	Banco de Ponce, Hato Rey, P.R.	273,707,000	11,289	53	102	...		573,000,000	197,000,000
31	Commerce Union Bank, Nashville, Tenn.	272,016,785	61	56	5	30		322,617,006	50,600,221
32	Alaska Statebank, Anchorage	260,862,446	2,881	32	1	31		271,614,617	10,752,171
33	First National Bank, Louisville, Ky.	256,968,669	5,444	73	4	35	+2	363,392,115	106,423,446
34	First Wisconsin National Bank, Milwaukee	248,734,132	7,356	222	18	40	+6	463,737,348	215,003,216
35	Marine Midland Bank NA, Buffalo, N.Y.	247,732,988	8,565	60	0	37	+2	1,151,670,831	896,006,054
36	First National Bank, Cincinnati	222,200,769	4,694	71	49	42	+6	419,850,917	212,680,251
37	Central Bank of Denver	219,908,095	6,599	93	3	39	+2	254,151,301	33,678,867
38	Manufacturers National Bank, Detroit	218,794,264	6,102	46	7	66	+28	835,713,780	745,646,481
39	Fidelity National Bank, Baton Rouge, La.	218,631,854	6,161	62	5	43	+4	259,672,423	41,040,569
40	Georgia Railroad Bank & Trust Co., Augusta	209,431,193	8,091	43	67	44	+4	224,485,717	15,054,524
41	Continental Illinois National Bank & Trust Co., Chicago	207,119,021	3,296	50	6	5		902,777,065	695,658,044
42	Lloyds Bank California, Los Angeles	200,166,088	3,441	20	0	48	+6	345,376,707	145,210,619
43	First Interstate Bank of Casper NA, Wyo.	189,865,739	4,270	25	1	57	+14	231,326,245	25,556,729
44	Commercial Security Bank, Ogden, Utah	178,485,007	5,667	33	28	46	+2	257,488,392	75,263,775
45	Banco Popular de Puerto Rico, San Juan	174,176,400	14,235	122	1	49	+4	405,108,500	229,965,700
46	Chase Lincoln First Bank NA, Rochester, N.Y.	173,482,000	4,924	23	0	58	+12	407,819,000	234,336,000
47	North American Bank & Trust Co., Stratford, Conn.	164,918,059	4,126	12	23	53	+6	174,382,672	9,464,613
48	Valley Fidelity Bank & Trust Co., Knoxville, Tenn.	153,971,358	5,154	35	73	62	+14	187,919,110	33,947,752
49	Rainier Bank Alaska NA, Anchorage	143,367,151	1,626	16	0	55	+6	144,758,590	1,391,440
50	Branch Banking & Trust Co., Wilson, N.C.	142,196,865	3,394	43	6	69	+19	243,803,038	101,606,173
51	First Interstate Bank of Hawaii, Honolulu	138,759,360	3,331	41	0	54	+3	266,412,507	127,653,147
52	Norwest Bank Casper NA, Wyo.	138,675,357	2,788	18	0	70	+18	156,488,095	17,812,738
53	Citizens Commercial & Savings Bank, Flint, Mich.	133,876,000	7,610	25	15	74	+21	363,650,000	229,774,000
54	Fremont Bank, Calif.	131,465,000	2,247	13	0	64	+10	210,147,000	78,682,000
55	Seattle Trust & Savings Bank	130,014,500	4,246	28	6	59	+4	230,639,100	100,624,600
56	Union Bank, Los Angeles	125,000,000	3,800	34	0	56		455,000,000	330,000,000
57	First Interstate Bank of Alaska, Anchorage	123,169,075	7,736	66	20	34		622,835,671	499,666,596
58	First Interstate Bank of Arizona NA, Phoenix	123,169,075	7,736	66	20	63	+5	622,835,671	499,666,596
59	First Interstate Bank of Nevada NA, Reno	119,726,690	2,529	21	6	94	+35	446,789,064	327,062,374
60	Fourth National Bank & Trust Co., Wichita, Kan.	119,018,677	1,970	69	0	61	+1	182,033,610	60,836,071
61	American National Bank & Trust Co., Kalamazoo, Mich.	114,306,835	2,183	35	0	67	+6	195,021,609	80,714,774
62	First National Bank of Maryland	113,318,229	2,443	34	4	72	+10	429,253,618	315,935,429
63	Kanawha Valley Bank NA, Charleston, W. Va.	100,211,130	3,012	18	0	85	+22	147,136,111	46,924,981
64	Sunwest Bank of Albuquerque NA, N.M.	98,287,000	4,600	16	14	73	+9	252,963,000	154,676,000
65	First Pennsylvania Bank NA, Philadelphia	97,865,997	1,348	83	0	87	+22	371,673,314	273,810,317
66	First Interstate Bank of Billings NA, Mont.	95,564,305	2,489	57	5	76	+10	133,521,692	37,231,310
67	Norwest Bank Des Moines NA, Iowa	92,871,000	2,586	30	0	82	+15	207,423,000	3,888,000
68	Colonial Bank, Waterbury, Conn.	92,870,000	2,000	94	0	71	+3	433,896,000	340,982,000
69	Central Trust Co. NA, Cincinnati	89,992,127	3,127	32	0	101	+32	329,872,758	239,880,631
70	American Security Bank NA, Washington, D.C.	83,876,416	2,169	2094	3	65		225,844,380	147,270,100
71	Central National Bank, Cleveland	82,383,615	4,243	58	0	77	+6	288,912,854	203,730,228
72	Hawaii National Bank, Honolulu	81,489,058	2,556	56	1	75	+3	118,751,257	37,262,199
73	First Bank of Whiting, Crown Point, Ind.	80,492,751	1,583	6	0	149	+76	80,492,751	68,134,828
74	Idaho Bank & Trust Co., Boise	80,348,848	2,085	35	0	79	+5	131,668,197	51,404,960
75	Idaho First National Bank, Boise	78,664,543	2,485	0	57	23		78,664,543	246,367,018
76	First National Bank, Omaha, Neb.	75,775,000	2,180	25	7	86	+10	118,310,000	42,500,000
77	Broadway National Bank, San Antonio, Tex.	75,430,099	2,586	39	28	78	+1	113,044,199	37,614,100
78	Alaska National Bank of the North, Fairbanks	74,764,238	738	40	0	81	+3	128,712,200	53,947,961
79	Fidelity Bank of Indiana, Carmel	72,734,012	1,197	47	0	84	+5	87,353,814	14,619,802
80	First National Bank, Albuquerque, N.M.	70,347,364	1,819	10	0	92	+12	131,961,243	61,613,879
81	Texas American Bank/Fort Worth NA	69,966,714	983	62	6	89	+8	157,954,442	87,987,728
82	InterFirst Bank Corsicana NA, Tex.	64,983,776	2,322	22	1	103	+21	27,873,191	27,873,191
83	Plains National Bank, Lubbock, Tex.	59,133,257	2,574	31	13	90	+7	68,724,500	9,591,244
84	Alameda First National Bank, Calif.	58,972,866	1,177	5	0	88	+4	79,439,065	20,466,199
85	Capital Bank & Trust Co., Baton Rouge, La.	57,966,597	1,256	0	30	95	+10	89,813,126	12,382,905
86	City Bank, Honolulu	54,459,739	980	22	0	91	+5	91,840,011	37,380,272
87	Ohio Citizens Bank, Toledo	54,433,747	739	738	1	96	+9	151,174,398	96,740,651
88	National Bank of Commerce Tr & Svgs Assn, Lincoln, Neb	54,313,958	1,329	19	0	97	+9	83,824,017	22,697,961
89	Planters National Bank & Trust Co., Rocky Mount, N.C.	50,181,093	1,352	10	5	102	+13	58,372,815	8,191,722
90	Old National Bank, Evansville, Ind.	45,111,575	1,917	61	1	93	+3	145,054,768	94,999,139
91	Nevada National Bank, Reno	43,258,168	917	32	0	51		129,678,794	86,420,626
92	American National Bank, Lawton, Okla.	42,164,871	1,349	9	17	105	+13	50,956,106	8,791,235
93	Norwest Bank St. Paul NA, Minn.	39,377,645	944	13	0	110	+17	92,385,894	53,357,781
94	Norwest Bank Omaha NA, Neb.	38,280,131	0	16	0	116	+22	77,730,935	39,450,804
95	Central Pacific Bank, Honolulu	37,830,000	910	8	0	104	+9	183,030,000	145,200,000
96	Maryland National Bank, Baltimore	37,591,913	1,052	17	2	99	+3	402,059,046	364,467,133
97	Centerre Bank of Columbia, Mo.	33,934,203	832	21	0	112	+15	78,332,517	44,398,314
98	Wilmington Trust Co., Del.	33,347,607	1,628	35	0	100	+2	397,574,974	364,227,367
99	Piedmont Trust Bank, Martinsville, Va.	32,825,800	1,300	22	0	106	+7	59,632,700	23,146,400
100	First Bank NA, Billings, Mont.	32,500,000	540	4	0	98		70,000,000	37,500,000
	Totals for the Top 100 Banks in Mortgage Servicing	**26,408,675,334**	**631,056**	**13,184**	**5,657**			**57,528,014,600**	**34,137,899,817**

(a)— Data are for individual banks and exclude subsidiary mortgage companies which have their own legal identity. (b)— Excludes mortgages serviced by the bank for itself or for any accounts in its trust department. (c)— Includes all permanent mortgages serviced by the bank: for itself, for its trust department, and for others. (d)— Servicing is done by Citizens Fidelity Mortgage Co., a division of the bank. N.A.—Not Available.

Mortgage Servicing Rankings Shift as Nonbank Firms Move in

Continued from Page 1

lished a listing of the top 300 mortgage companies in the servicing field.

As mentioned in Monday's edition, nonfinancial firms have been attracted to mortgage servicing because it is an ideal entry point into the financial services field. Chances for becoming profitable quickly are the greatest there.

On the other hand, some banks have left the field to take advantage of the historically high prices being offered for servicing portfolios and to bolster their capital positions.

The General Motors Acceptance Corp. entered the field by acquiring both Norwest Mortgage Inc. and Colonial Mortgage Service Co. Norwest Mortgage, which ranked fourth with $11.1 billion in servicing at yearend 1984, was a subsidiary of the Norwest Corp. Colonial Mortgage was a subsidiary of CoreStates and ranked ninth, with $7.4 billion in servicing, on Dec. 31.

The newly formed GMAC Mortgage Co. of Melrose Park, Pa., had $19.3 billion in servicing at midyear, placing it just behind the top-ranked Lomas & Nettleton, which maintained its No. 1 position with $20.2 billion in servicing on June 30.

Metropolitan Life's newly acquired subsidiary is Metmor Financial Inc., Los Angeles, which ranked No. 6 with a servicing portfolio of $9.7 billion at midyear. Metmor was formerly known as CrossLand Capital Corp. and was owned by CrossLand Savings.

Integrated Resource's new mortgage company is Imco Realty Services Inc. of Santa Rosa, Calif. Imco Realty ranks 20th with $6.1 billion in combined servicing. It was formed in April, when Integrated Resources — which organizes and manages investment programs in real estate, leveraged buyouts, energy, equipment leasing, and other businesses — acquired the Wells Fargo Mortgage Co. of Santa Rosa, Calif., plus the servicing portfolio of Wells Fargo Bank of San Francisco from Wells Fargo & Co.

Alliance Mortgage Co. of Jacksonville, Fla., acquired in February by Owens-Illinois from Florida National Banks of Florida, had $5.8 billion in servicing on June 30 to rank 22d.

➡ **Mortgage: Page 18**

The Top 100 Banks' Largest Servicing Gainers

(Dollar Amounts in Millions)	Servicing 6/30/85	Servicing 6/30/84	Percent Increase	Bank Rank
1 Louisiana National Bank, Baton Rouge	387.5	125.0	210.04	19
2 Landmark First National Bank, Fort Lauderdale, Fla.	474.3	179.0	165.02	15
3 First Interstate Bank of Nevada, Reno	119.7	51.3	133.44	59
4 Central Trust Co. NA, Cincinnati	89.9	43.6	106.44	69
5 Manufacturers National Bank, Detroit	218.8	115.6	89.32	38
6 Comerica Bank-Detroit	439.9	243.8	80.45	16
7 Norwest Bank Omaha NA, Neb.	38.3	21.7	76.59	94
8 Fleet National Bank, Providence, R.I.	486.5	295.4	64.71	14
9 First Pennsylvania Bank NA	97.9	59.7	63.80	65
10 Kanawha Valley Bank NA, Charleston, W. Va.	100.2	61.6	62.71	63

Loan Servicing by Savings Institutions

Savings Institutions with $1 Billion or More in Servicing for Others

First Quarter, 1985

(Thousands of Dollars)

	Loans Serviced For Others	Loan Servicing Fees	Total Assets
1 American Savings & Loan Assn., Stockton, Calif.	14,880,276	N.A.	27,951,927
2 Homestead Savings, FS&LA, San Francisco	6,909,794	N.A.	3,101,778
3 Commonwealth Savings Assn., Houston	6,813,292	N.A.	1,084,043
4 Gill Savings Association, Hondo, Tex.	6,154,780	N.A.	1,433,026
5 City Federal Savings & Loan Assn., Elizabeth, N.J.	5,668,640	N.A.	7,654,828
6 California Federal Savings & Loan Assn., Los Angeles	5,306,335	1,127	17,172,980
7 Mercury Savings Assn., Wichita Falls, Tex.	5,089,284	40	674,527
8 Goldome FSB, Buffalo	4,724,118	5,292	11,098,591
9 Home Savings of America, FA, Irwindale, Calif.	4,267,987	1,854	23,987,542
10 Glendale Federal Savings & Loan Assn., Calif.	3,838,389	138	11,811,018
11 Pacific First Federal Savings Bank, Tacoma, Wash.	3,805,670	342	2,522,849
12 Home Federal Savings & Loan Assn. of San Diego, Calif.	3,521,797	166	9,285,010
13 CrossLand Savings, FSB, Brooklyn, N.Y.	3,042,912	1,144	6,648,960
14 Coast Savings & Loan Assn., Los Angeles	3,036,633	30	6,214,250
15 Colonial Savings & Loan Assn., Ft. Worth, Tex.	2,870,709	2,805	312,841
16 Sears Savings Bank, Glendale, Calif.	2,836,164	N.A.	5,915,615
17 Great Western Savings, FS&LA, Beverly Hills	2,800,072	N.A.	21,827,286
18 Great American First Savings Bank, San Diego, Calif.	2,766,849	N.A.	7,100,723
19 Talman Home Federal Savings & Loan Assn., Chicago	2,736,164	1,863	6,519,646
20 First Nationwide Savings, FS&LA, San Francisco	2,727,478	100	9,674,388
21 Empire of America FSB, Buffalo, N.Y.	2,523,327	1,099	5,517,184
22 Seamen's Bank for Savings, FSB, New York	2,205,037	442	3,007,259
23 Gibraltar Savings, Beverly Hills, Calif.	2,038,267	10	8,212,530
24 First Federal Savings & Loan Assn., Rochester, N.Y.	1,936,273	N.A.	4,242,290
25 Atlantic Financial Federal, Bala Cynwyd, Pa.	1,927,857	N.A.	3,513,893
26 Standard Federal Bank, Troy, Mich.	1,925,542	N.A.	5,685,252
27 First Federal Savings & Loan Assn., Phoenix, Ariz.	1,879,078	N.A.	4,496,302
28 Sunbelt Savings Assn., Dallas	1,822,234	432	2,863,051
29 Imperial Savings Assn., San Diego, Calif.	1,796,469	N.A.	7,411,295
30 Commercial Federal Savings & Loan Assn., Omaha, Neb.	1,793,100	N.A.	2,531,169
31 Citicorp Savings of Illinois, FS&LA, Chicago	1,692,039	15	4,279,983
32 American Savings Bank, FSB, New York	1,657,541	769	3,585,662
33 United Savings Assn., Houston	1,650,329	N.A.	3,851,972
34 Victor Federal Savings & Loan Assn., Muskogee, Okla.	1,583,893	N.A.	446,163
35 Columbia Savings, FS & LA, Englewood, Colo.	1,577,398	N.A.	2,567,668
36 Community Federal Savings & Loan Assn., St. Louis	1,550,145	N.A.	3,510,047
37 Central Savings & Loan Assn., San Diego, Calif.	1,507,949	83	2,330,414
38 AmeriFirst Federal Savings & Loan Assn., Miami	1,432,618	71	4,019,525
39 Citizens Federal Savings & Loan Assn., Miami	1,403,689	N.A.	1,944,888
40 ComFed Savings Bank, Lowell, Mass.	1,387,407	N.A.	782,797
41 Transohio Savings Bank, FSB, Cleveland	1,327,658	18	2,826,491
42 University Savings Assn., Houston	1,302,041	N.A.	3,365,542
43 Anchor Savings Bank FSB, Northport, N.Y.	1,299,389	1,187	4,429,310
44 Beverly Hills Savings, FS & LA, Calif.	1,239,473	N.A.	3,002,660
45 Far West Federal Bank, Portland, Ore.	1,225,346	328	2,068,277
46 Benjamin Franklin Savings Assn., Houston	1,215,466	1,425	1,746,172
47 First Texas Savings Assn., Dallas	1,207,544	N.A.	3,601,843
48 World Savings, FS & LA, Oakland, Calif.	1,180,873	N.A.	10,997,663
49 American Savings & Loan Assn. of Florida, Miami	1,173,183	163	2,931,006
50 Santa Barbara S & LA, Calif.	1,104,923	N.A.	2,863,086
51 Benjamin Franklin Federal Savings & Loan Assn., Portland, Ore.	1,084,878	265	3,879,181
52 Home Owners Federal Savings & Loan Assn., Boston	1,080,178	N.A.	841,598
53 Old Stone Bank FSB, Providence, R.I.	1,068,009	N.A.	2,204,081
54 Dime Savings Bank of New York, FSB	1,045,703	997	7,356,890
55 Northeast Savings, FA, Hartford, Conn.	1,029,599	33	4,109,937
56 Carteret S & L Assn., FA, Morristown, N.J.	1,025,195	978	5,188,966
57 Farm & Home Savings Assn., Nevada, Mo.	1,024,347	N.A.	2,805,045
58 Long Island Savings Bank of Centereach, FSB, N.Y.	1,018,218	362	2,813,909
59 Pathway Financial, FA, Chicago	1,015,438	N.A.	1,218,289
60 Florida Federal Savings & Loan Assn., St. Petersburg	1,008,239	N.A.	5,184,497
61 Downey Savings & Loan Assn., Costa Mesa, Calif.	1,004,860	N.A.	2,376,952
62 Perpetual American Bank, FSB, McLean, Va.	1,003,466	N.A.	3,855,956
63 Gibraltar Savings Assn., Houston	1,002,738	N.A.	4,003,461

For institutions with name and location changes since 3/31/85, American Banker has made the appropriate updates.

Please note that some of the savings institutions in this listing have mortgage company subsidiaries which service mortgages for others. The figures reported here include the servicing done by these mortgage subsidiaries on 3/31/85. (A listing of the top 300 mortgage companies in the nation based on June 30, 1985 servicing was published in yesterday's American Banker.)

Source: Data Resources, Inc., Lexington, Mass. from data institutions file with the Federal Home Loan Bank Board.

Hurricanes Deflate Condo Boom in South Carolina

By JERRY ADAMS

MYRTLE BEACH, S.C. — Mortgage lenders who once saw nothing but opportunities for condominium building along South Carolina's "Grand Strand" beach have in recent months been beset by problems caused by both nature and man.

Because of periodic hurricanes, insurance costs have been blown out of proportion in recent times, according to lenders. Hurricane Gloria last week just skimmed the South Carolina coast, doing little damage here. But the large claims expected to be filed for property damage that Gloria inflicted on coastal areas from North Carolina to New England are likely to make insurance all along the Atlantic coast even more expensive.

"We have one specific project on the intracoastal waterway," said a savings and loan association executive, "where we have run into a situation where we're having difficulty getting flood insurance.

"They either create a premium that is so prohibitive that no one cares to pay it, or else they tell you they're not interested in providing insurance."

The project is for 43 condominiums now, eventually increasing to a total of 200.

The executive, who asked not to be identified, works for an S&L based in Columbia, the state capital, but with an extensive portfolio along the South Carolina coast. He asked for anonymity because "there is enough negative news about the area without my adding to it."

Stephen H. Smith, executive vice president of the South Carolina Savings and Loan League, said in a telephone interview, "The biggest problem coastal development has is the scarcity of casualty and flood insurance. That is hitting them heavily."

The increasing cost of flood insurance, observers say, is related to the fact that builders are crowding structures closer and closer to the shoreline, seeking the last available real estate along a coast that has proved popular and especially accessible to Midwesterners and Canadians.

"The beaches are as crowded as they can be," said James Clemmons, president of Coastal Federal Savings and Loan, Myrtle Beach.

The popularity of the beaches has led to overbuilding.

"We definitely have an overbuilt situation," Mr. Clemmons said. He put the backlog for condominium pur-

➡ **Myrtle Beach: Page 17**

Mortgage Servicing's Shifting Ranks

Continued from Page 16

Among the top 100 commercial banks in the servicing of mortgages for others, Bank of America remains at the top with servicing of $3.0 billion on June 30. Bank of America is a subsidiary of the San Francisco-based BankAmerica Corp., which ranks 11th in the mortgage servicing industry with combined servicing of $7.4 billion at its three servicing subsidiaries.

Hibernia Bank of San Francisco and Union National Bank of Little Rock, Ark., continue to jockey for the No. 2 spot among the largest commercial banks in mortgage servicing. Hibernia moved up one notch to second place, with $1.1 billion in servicing on June 30. Union National dropped to third place, a position it held at midyear 1983, with $981 million in servicing.

First National Bank of Anchorage, Alaska, retained its hold on the fourth position, with $920 million in servicing.

Security Pacific National Bank of Los Angeles jumped three places to rank fifth, with $906 million.

Among the top five banks, only Union National showed a decrease in dollar volume from last year's figures.

Overall, servicing among the top 100 commercial banks as of midyear rose 3.1% for the 12-month period. As of June 30, the top commercial banks were servicing $26.4 billion, up $800 million from last year's total of $25.6 billion. In the year ending June 30, 1984, servicing rose 11.8%.

Equibank of Pittsburgh, the 15th largest bank in mortgage servicing on June 30, 1984, left the servicing field when it sold its $500 million servicing portfolio to the Central Mortgage Co. of Philadelphia in June. Central Mortgage is a subsidiary of PSFS, and the acquisition made PSFS the 14th largest mortgage servicing firm, with combined servicing of $7.1 billion at its three servicing subsidiaries, up from $6.2 billion at yearend, when it ranked 16th.

According to the latest data from the Federal Home Loan Bank Board, the American Savings & Loan Association of Stockton, Calif., was the largest thrift in mortgage servicing for others, with $14.9 billion on March 31.

In August, the Ford Motor Co. acquired First National Savings FS&LA of San Francisco, which ranked 20th in servicing among thrifts, with a $2.7 billion portfolio on March 31. ■

The Top 100 Banks' Largest Servicing Losers

(Dollar Amounts in Millions)	Servicing 6/30/85	Servicing 6/30/84	Percent Decrease	Bank Rank
1 Idaho First National Bank, Boise	78.7	311.1	74.71	75
2 Nevada National Bank, Reno	43.3	164.0	73.62	91
3 Continental Illinois Nat'l B&T Co., Chicago	207.1	753.0	72.50	41
4 First Interstate Bank of Alaska, Anchorage	123.2	266.2	53.73	57
5 First Bank NA, Billings, Mont.	32.5	47.0	30.85	100
6 American Security Bank NA, Washington, D.C.	83.9	117.6	28.71	70
7 Wilmington Trust Co., Del.	33.3	43.6	23.51	98
8 Maryland National Bank, Baltimore	37.6	43.7	13.96	96
9 Union National Bank, Little Rock, Ark.	980.6	1,134.0	13.53	3
10 Old National Bank, Evansville, Ind.	45.1	51.6	12.59	90

Dear Reader, How Are We Doing?

The American Banker wants very much to make sure its statistical listings for the financial services industry meet your information needs. So would you spend a moment to give us some feedback on the **Top 100 CommercialBanks in Servicing of Permanent Mortgages, Loan Servicing by Savings Institutions,** and **Top 25 Mortgage Servicers** tables that appear in today's edition? Please return this questionnaire to L. Michael Cacace, Statistical Chief, American Banker, One State Street Plaza, New York, N.Y. 10004 (212) 943-4836.

(1.) How would you **change** the tabulation to make it more useful? What would you add?

(2.) What do you like **best** about this tabulation?

(3.) What do you like **least** about this tabulation?

(4.) **How** do you use this information in your work?

(5.) What **new** statistical survey would you like to see?

Name (optional)_____

Title_____

Company_____

Address_____

Phone_____

Top 25 Mortgage Servicers

Among Mortgage Companies and Commercial Banks

Includes the Combined Servicing of Permanent Mortgages for Others by Firms with More than One Mortgage Servicing Subsidiary (Based on June 30, 1985 Servicing Volume — Dollar Amounts in Millions)

Rank 6/85	Rank 12/84		Servicing Volume 6/30/85	Servicing Volume 12/31/84	Number of Subsidiaries 6/30/85	Number of Subsidiaries 12/31/84
1	1	Lomas & Nettleton Financial Corp., Dallas	$20,245	$17,627	...	...
2	--	GMAC Mortgage Co., Melrose Park, Pa. (a)	19,339	-----	...	...
3	3	**Manufacturers Hanover Corp., New York**	**14,253**	**11,931**	**2**	**2**
4	2	**Fleet Financial Group, Inc., Providence, R.I.**	**12,199**	**11,958**	**3**	**3**
5	5	**Citicorp, New York**	**11,243**	**9,312**	**2**	**2**
6	7	Metmor Financial Inc., Los Angeles (b)	9,729	8,634	...	...
7	6	Weyerhaeuser Mortgage Co., Los Angeles	9,115	8,845	...	...
8	8	**First Interstate Bancorp., Los Angeles**	**8,968**	**8,319**	**11**	**6**
9	17	**Mellon Bank Corp., Pittsburgh**	**7,800**	**6,060**	**4(c)**	**4**
10	10	**Bank of Boston Corp.**	**7,694**	**7,264**	**3**	**3**
11	18	**BankAmerica Corp., San Francisco**	**7,449**	**5,984**	**3**	**3**
12	13	Cameron-Brown Co., Charlotte, N.C.	7,369	6,620	...	...
13	12	Commonwealth Mortgage Corp., Houston	7,212	6,837	...	...
14	16	**PSFS, Philadelphia**	**7,103**	**6,188**	**3**	**3**
15	15	**Goldome FSB, Buffalo, N.Y.**	**6,662**	**6,463**	**2**	**2**
16	14	Anchor Mortgage Services, Inc., Wayne, N.J.	6,600	6,520	...	...
17	11	Kissell Co., Springfield, Ohio	6,550	6,878	...	...
18	19	Sovran Mortgage Corp., Richmond	6,203	5,873	...	...
19	20	Richard Gill Co., San Antonio, Tex.	6,105	5,843	...	...
20	--	Imco Realty Services Inc., Santa Rosa, Calif. (d)	6,057	3,180(e)	...	
21	21	Chemical Mortgage Corp., Columbus, Ohio	5,949	5,578	...	...
22	24	Alliance Mortgage Co., Jacksonville, Fla. (f)	5,839	5,136	...	...
23	22	**Sears, Roebuck & Co., Chicago**	**5,521**	**5,185**	**2**	**2**
24	28	Bowest Corp., La Jolla, Calif.	5,172	4,417	...	...
25	23	Talman Home Mortgage Corp., Chicago	5,143	5,166	...	...

For firms with more than one subsidiary (mortgage company or commercial bank) servicing mortgages for others, the combined servicing figure of these subsidiaries is used. The name of the parent company is shown in bold type.

(a)—In March, General Motors Acceptance Corp., Detroit, the financing arm of General Motors Co., acquired Norwest Mortgage Inc., Minneapolis and its $11.1 billion servicing portfolio from Norwest Corp. Then in May, General Motors Acceptance Corp. acquired Colonial Mortgage Service Co., Philadelphia, and its $7.4 billion servicing portfolio from CoreStates Financial Corp., Philadelphia, for $190 million. (b)—Formerly CrossLand Capital Corp.. The company was acquired by Metropolitan Life Insurance Co., New York, from CrossLand Savings FSB, Brooklyn, N.Y., and its name was changed effective Sept. 30, 1985. (c)—The servicing figure shown for 6/30/85 is an aggregate figure for all four mortgage company subsidiaries of Mellon Bank Corp. However, one of its subsidiaries, Mellon Financial Services #9, Denver, did not provide data for the listing of the top 300 mortgage companies published Sept. 30. (d)—In April, Wells Fargo & Co. sold Wells Fargo Mortgage Co., Santa Rosa, Calif. and its $3 billion servicing portfolio plus the $3.5 billion servicing portfolio of Wells Fargo Bank NA to a limited partnership organized by Integrated Resources Inc., New York, for $108 million, plus the assumption of certain liabilities. Integrated Resources organizes and manages investment programs in real estate, leveraged buyouts, energy, equipment leasing and other businesses. Wells Fargo Mortgage Co. ranked 35th among the top mortgage companies and commercial banks in servicing on 12/31/84. (e)—Data were for Wells Fargo Mortgage Co. only. (f)—Owens-Illinois Inc., Toledo, Ohio, acquired company from Florida National Banks of Florida, Inc., Jacksonville, 2/25/85.

Global People . . .

Continued from Page 2

nancial sector. The committee will also coordinate international controls. Mr. Blunden has been with the bank since 1947. In other personnel shifts, the bank's gilt-edged division will be expanded under **Ian Plenderleith,** while **Rodney Galpin**, the chairman of the bank's Johnson Matthey Bankers subsidiary, will leave Johnson Matthey to take charge of banking supervision.

In other personnel moves in the London financial sector, **Michael Strange**, executive director with Lazard Brothers, the merchant bank, is joining Laurie Milbank on Oct. 1 as an executive specializing in gilt-edged distribution.

The Chase Manhattan Bank branch in London, which is taking over Simon and Coates and Laurie Milbank, two British stockbrokers, has recruited **David Cheesewright** to head its U.K. equities market-making and trading operations. Mr. Cheesewright is a former senior dealer at Akroyd and Smithers, one of the largest London market makers.

Jeremy Jewitt, assistant general manager of Chase Manhattan's Paris branch, has moved to London as assistant general manager in charge of U.K. corporate banking. **Mark E. Shannon**, formerly of the special loan administration department in Chase's New York headquarters, will succeed Mr. Jewitt in Paris.

EUROPEAN OPERATIONS DIVIDED: Prime Computer, a U.S. maker of minicomputers, has restructured its European operations following the appointment of **Richard Williams** as vice president, international marketing operations. Mr. Williams has moved from Prime's European headquarters in London to its corporate headquarters in Natick, Mass. He will be responsible for the day-to-day operations of all non-U.S. subsidiaries and distributors. With his departure, the European subsidiary operations have been divided into two regions, northern and southern Europe, headed by **Malcolm Padina** and **Charles Picasso**, who have been named vice presidents.

— Franklin Smith

World Debt . . .

Continued from Page 2

The plan should be completed by Feb. 1, according to the report, and it should include "outright debt relief in the form of longer grace periods, repayment stretchouts, and interest rate reductions."

According to the report, the Third World debt crisis has now entered a "second phase."

"In the current situation, developing countries are unable to invest in genuine development because all or a large part of their economic resources, and their foreign exchange earnings in particular, are devoted to debt servicing."

Commercial banks have stopped lending new money to developing nations, the report says, except for servicing current debt. But even at current levels of outstanding loans, many U.S. banks are "vulnerable" to the consequences of default.

Among other recommendations:

• Better coordination is needed between the World Bank, which extends long-term credit, and the International Monetary Fund, which specializes in short-term credit, so as to prevent conflicting advice regarding repayment.

• Since trade is the ultimate key to development, World Bank funds could be used as a bargaining chip in liberalizing trade restrictions at a new round of negotiations under the General Agreement on Tariffs and Trade. ■

We want to hear from you.

Send your opinions, observations, and comments to William Zimmerman, Editor, American Banker, One State Street Plaza, New York, New York, 10004.